

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6363**

**BILL NUMBER:** SB 360

**NOTE PREPARED:** Feb 19, 2008

**BILL AMENDED:** Feb 18, 2008

**SUBJECT:** E85 Fueling Station Grants.

**FIRST AUTHOR:** Sen. Hershman

**FIRST SPONSOR:** Rep. Grubb

**BILL STATUS:** As Passed House

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** (Amended) The bill provides that only one E85 fueling station grant may be made per fueling station location, and that the amount of a grant may not exceed the lesser of the amount of the qualified investment or \$20,000. It provides that the amount of a grant may be less than the amount of the qualified investment. The bill also corrects state agency references. It provides that local units of government are eligible to receive E85 fueling station grants for qualified investment in E85 fueling stations. The bill also corrects state agency references.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** (Revised) Increasing the cap for awards could result in more grants being awarded to the extent that more projects would qualify. For example, with a \$5,000 grant, the recipient could retrofit an existing pump to accommodate E85 fuel. With a \$20,000 grant, the recipient could put in a new pump. Also, allowing local units to receive grants may also increase the number of grants awarded as well as change the distribution.

**Background.** The Department of Agriculture (ISDA) and the Office of Energy and Defense Development administer the program. Under the \$5,000 cap, the state awarded two grants: one to Good Oil Inc in 2007 and one to National Oil & Gas in 2008. The program is funded through the corn checkoff (an assessment of one-half cent per bushel of corn collected by the first purchaser). The grant program has a cap of \$1 M.

Federal grants awarded in FY 2007 are listed below.

<b>Biofuels Grant Program</b>	<b>County</b>	<b>Award Date</b>	<b>AwardAmount</b>	<b>Project</b>
Makowsky Oil Company, Inc.	Clark	9/1/2006	\$30,000	Bio-Island
Family Express Corp	LaPorte	9/1/2006	\$12,500	E85 Infrastructure
Family Express Corp	Porter	9/1/2006	\$12,500	E85 Infrastructure
Family Express Corp	Jasper	9/1/2006	\$11,269	E85 Infrastructure
Goodman & Sons	Sullivan	9/1/2006	\$ 5,151	E85 Infrastructure
Lincoln Gas, Inc.	Knox	9/1/2006	\$12,500	E85 Infrastructure
Martins Super Market	St. Joseph	9/1/2006	\$12,500	E85 Infrastructure
Big Bear Fuels Int. LLC	Lake	9/1/2006	\$12,500	E85 Infrastructure
Citgo/Brown Hen One Stop, LLC	Marion	9/1/2006	\$30,000	Bio-Island
Eddie's Service Inc.	Orange	9/1/2006	\$30,000	Bio-Island
Heyde Oil Inc.	Huntington	9/1/2006	\$12,500	E85 Infrastructure
Jones Oil Company	Martin	9/1/2006	\$12,500	E85 Infrastructure
Chicagoland Oil Company	Tippecanoe	9/1/2006	\$12,500	E85 Infrastructure
Good Oil	Marshall	12/15/2006	\$30,000	Bio-Island
Family Express	Statewide	12/15/2006	\$60,000	E85 Infrastructure
<b>TOTAL</b>			<b>\$296,420</b>	

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** (Revised) Qualifying local units could receive revenue from grants awarded. The specific impact is indeterminable.

**State Agencies Affected:** ISDA.

**Local Agencies Affected:** Qualifying local units.

**Information Sources:** ISDA.

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